

FIG. 1

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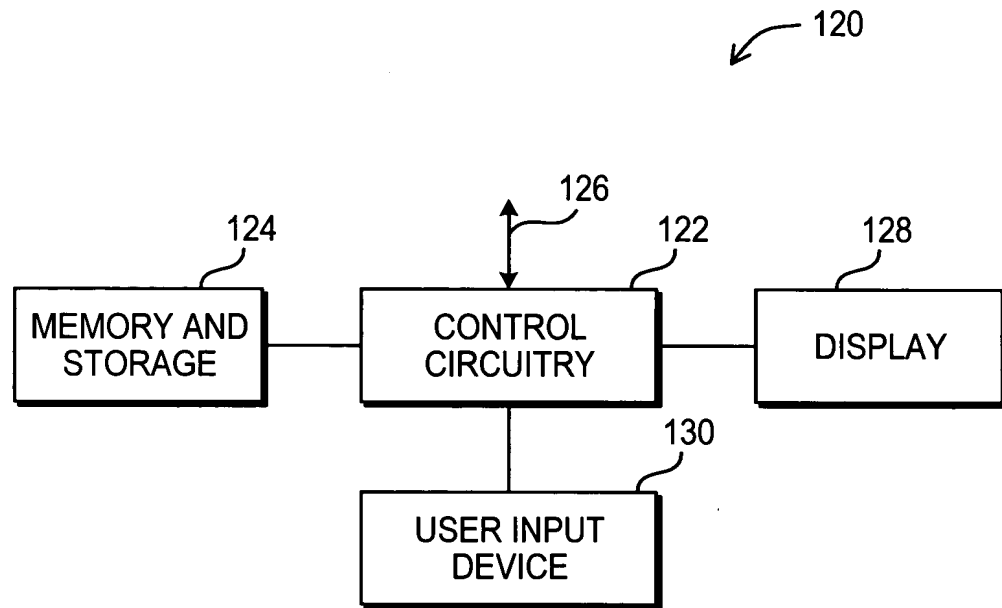
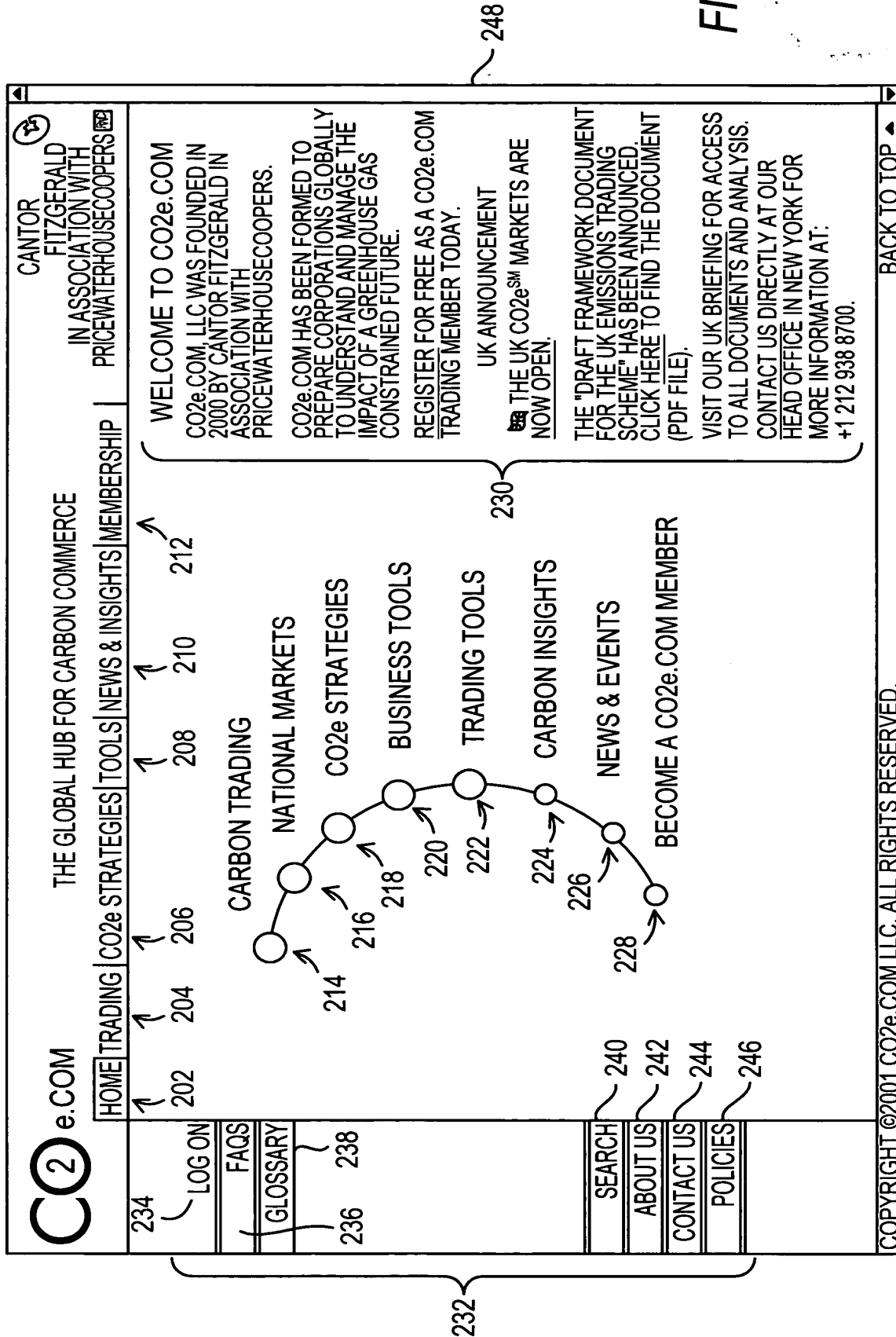


FIG. 2

200

3/37

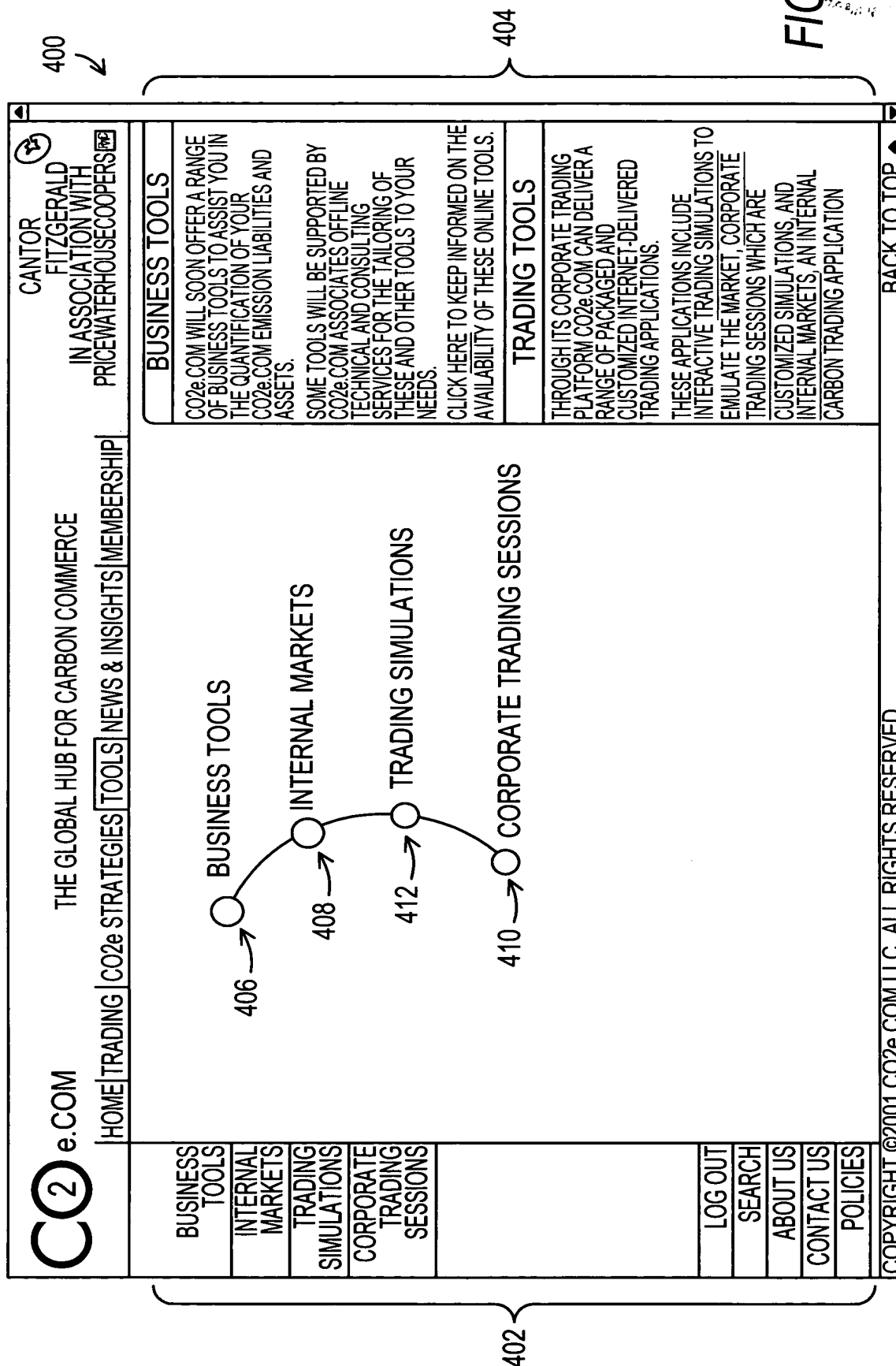
FIG. 3



<p>C2e.COM</p> <p>THE GLOBAL HUB FOR CARBON COMMERCE</p> <p>HOME TRADING CO₂e STRATEGIES TOOLS NEWS & INSIGHTS MEMBERSHIP </p>	<p>CANTOR FITZGERALD IN ASSOCIATION WITH PRICEWATERHOUSECOOPERS</p>	LOG ON OR REGISTER
		<p>WELCOME TO C2e.COM.</p> <p>IF YOU ARE ALREADY A TRADING MEMBER OR A VIRTUAL TRADER, PLEASE ENTER YOUR USERNAME AND PASSWORD BELOW.</p> <p>USERNAME: <input type="text"/> 302</p> <p>PASSWORD: <input type="password"/> 304</p> <p><input type="button" value="LOG ON"/> 306</p> <p>BECOME A TRADING MEMBER</p> <p>IF YOU WOULD LIKE TO REGISTER AS A TRADING MEMBER OR A VIRTUAL TRADER FOR TRADING SIMULATIONS, CLICK BELOW.</p> <p><input type="button" value="TRADING MEMBER"/> 308</p> <p>LOG ON HELP</p> <p>I HAVE FORGOTTEN MY USERNAME } 310 I HAVE FORGOTTEN MY <u>PASSWORD</u></p>

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FIG. 5



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FIG. 6

CO₂e.COM

THE GLOBAL HUB FOR CARBON COMMERCE

CANTOR
FITZGERALD
IN ASSOCIATION WITH
PRICEWATERHOUSECOOPERS

HOME

TRADING

CO₂e STRATEGIES

TOOLS

NEWS & INSIGHTS

MEMBERSHIP

TRADING SIMULATION

BECOME A VIRTUAL TRADER

SELECT THE COMPANY THAT YOU WOULD LIKE TO ROLE-PLAY-INVESTIGATE YOUR INTERNAL EMISSION ABATEMENT CURVES AND BUSINESS-AS-USUAL EMISSIONS FORECASTS - ENGAGE THE TRADING ENGINE - AND TRADE AWAY ON CO₂e.COM'S ONLINE TRADING SIMULATION.

THIS SIMULATION IS INTERNET-DELIVERED TO YOU BY CO₂e.COM AND POWERED BY ESPEED - THE INSTITUTIONAL TRADING ENGINE THAT MANAGES THE EXCHANGE OF US\$150 BILLION IN GLOBAL COMMODITIES AND GOVERNMENT SECURITIES DAILY.

THE TRADING SIMULATION IS DESIGNED TO DEVELOP AN UNDERSTANDING OF THE OPERATION OF A MORE COMMODITISED CARBON MARKET AND DETERMINE HOW POLICY DECISIONS MAY IMPACT THIS EMERGING MARKETPLACE.

NO PUBLIC SIMULATIONS ARE CURRENTLY SCHEDULED. PLEASE CONSULT THIS PAGE REGULARLY FOR UPDATES.

CLICK HERE TO RUN THE SIMULATION (IF A SIMULATION IS SCHEDULED OR CURRENTLY RUNNING).

NOTE: THE TRADING SIMULATION HAS BEEN TUNED FOR THE MICROSOFT INTERNET EXPLORER BROWSER, VERSION 5.0 AND HIGHER. PLEASE USE ONLY THIS BROWSER CONFIGURATION TO ACCESS THE SIMULATION.

TRADING SIMULATION PROVIDES

AN INTERACTIVE SIMULATION THAT MODELS THE IMPACTS OF KEY POLICY DECISIONS THAT ARE CURRENTLY IN THE REGULATORY DEBATE

A WINDOW INTO THE POSSIBLE FUTURE OF THE CO₂e TRADING MARKET

A SIMULATION THAT IS EQUALLY ENGAGING TO CARBON-CONSTRAINED CORPORATE INTERESTS, CARBON REDUCTIONS/OFFSET SUPPLIERS, EMISSION TRADERS, CONSULTANTS AND ADVISORS - NOVICES AND EXPERTS ALIKE.

HOWEVER, THE CO₂e TRADING SIMULATION DOES NOT PROVIDE EITHER A CONCLUSIVE PREDICTION OF THE CLEARING PRICE OF CARBON, OR AN ANALYSIS OF THE MACRO-ECONOMIC IMPACTS OF THE KYOTO FLEXIBILITY MECHANISMS.

WITH A CLEAR UNDERSTANDING OF THE INTENT OF THIS TOOL - ENJOY THE GAME - AND MAY THE BEST TRADER WIN!

TO PARTICIPATE IN THE TRADING SIMULATION, YOU MUST BE REGISTERED AS A CO₂e.COM TRADING MEMBER OR VIRTUAL TRADER.

CLICK HERE TO REVIEW YOUR CO₂e.COM REGISTRATION OPTIONS.

BUSINESS TOOLS

INTERNAL MARKETS

TRADING SIMULATIONS

CORPORATE TRADING SESSIONS

506

LOG OUT

SEARCH

ABOUT US

CONTACT US

POLICIES

502

504

500

7/37

FIG. 7

600

WELCOME TO THE ONLINE
TRADING SIMULATION

...POWERED BY
eSPEED

THE ELECTRONIC TRADING PLATFORM
THAT CURRENTLY EXECUTES US\$150
BILLION IN GLOBAL TRANSACTIONS DAILY

CO2e.COM'S TRADING SIMULATION IS A PLATFORM TO MODEL THE OPERATION OF A MORE COMMODITISED GREENHOUSE GAS
EMISSIONS EXCHANGE, AND DETERMINE THE POTENTIAL IMPACT OF MAJOR POLICY DECISIONS ON THIS EMERGING MARKET.

INTERACTIVE
RELEVANT
EASY

THE
SIMULATION
IS

ECONOMIC
MODELLING
AND
IT IS
NOT
REALITY
PREDICTIVE

602

LEARN HOW TO PARTICIPATE IN THE SIMULATION USING THE INTRODUCTORY DEMO.
IN ORDER TO GAIN ACCESS TO THE TRADING SIMULATION, YOU MUST BE
REGISTERED AS A CO2e.COM TRADING MEMBER OR SIMULATION PARTICIPANT.

606

RUN THE SIMULATION

THE TRADING SIMULATION HAS BEEN TUNED FOR THE MICROSOFT INTERNET EXPLORER BROWSER,
VERSION 5.0 AND HIGHER. PLEASE USE ONLY THIS BROWSER CONFIGURATION TO ACCESS THE
SIMULATION

604

ABOUT THE
SIMULATION

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FIG. 8

700

702

<p>ABOUT THE SIMULATION</p>	<p>ABOUT THE SIMULATION</p> <p>THE CO₂e.COM TRADING SIMULATION IS A PLATFORM TO LEARN ABOUT THE OPERATION OF A MORE COMMODITISED CARBON MARKET, AND THE POTENTIAL IMPLICATIONS OF MAJOR POLICY DECISIONS ON THIS EMERGING MARKETPLACE. IT REPRESENTS A SIMPLIFIED MODEL OF HOW INTERNATIONAL OR DOMESTIC CARBON TRADING MIGHT DEVELOP. THE SIMULATION COMBINES MANY OF THE KEY ELEMENTS OF EMERGING POLICY WITH SOPHISTICATED TRADING TECHNOLOGY FROM ONE OF WALL STREET'S FASTEST GROWING B2B ELECTRONIC SOLUTION PROVIDERS, eSPEED INC., TO CREATE A HIGHLY USABLE, ENJOYABLE AND INSTRUCTIVE SIMULATION.</p> <p>BROAD ASSUMPTIONS</p> <p>SEVERAL KEY ASSUMPTIONS HAVE BEEN MADE IN THE DESIGN OF CO₂e.COM'S TRADING SIMULATION.</p> <ul style="list-style-type: none">• THE SIMULATED TRADING REGIME IS ONE THAT COULD BE ESTABLISHED BY AN INTERNATIONAL INTERPRETATION OF THE KYOTO PROTOCOL, WITH OR WITHOUT AN ADVANCED DOMESTIC TRADING ENVIRONMENT• ALL CREDIT TYPES ARE FULLY DEFINED AND TRANSFERABLE ACROSS INTERNATIONAL BOUNDARIES• PARTICIPANTS IN NON-ANNEX B COUNTRIES CAN SELL AND BUY CREDITS <p>IT IS IMPORTANT TO RECOGNIZE THESE ASSUMPTIONS BEFORE ENGAGING THE SIMULATION.</p> <p>SIMULATION ELEMENTS</p> <p>FOUR DIFFERENT TYPES OF ENTITIES PARTICIPATE IN THE SIMULATION, EACH WITH DIFFERENT CHARACTERISTICS AND GOALS. BUYERS FACE CAPS ON THEIR CARBON DIOXIDE EQUIVALENT (CO₂e) EMISSIONS AND MUST UNDERTAKE INTERNAL ACTIONS AND MAY ENGAGE IN TRADING TO COMPLY WITH EMISSIONS TARGETS AT THE LEAST COST AND AVOID COMPLIANCE PENALTIES. SUPPLIERS ARE CAPABLE OF PRODUCING JOINT IMPLEMENTATION (JI) OR CLEAN DEVELOPMENT MECHANISM (CDM) CREDITS AND ATTEMPT TO MAXIMISE PROFIT FROM THE SALE OF THESE CREDITS. TRADERS TAKE SPECULATIVE POSITIONS IN THE MARKET FOR PROFIT THROUGH THE CAREFUL ANALYSIS OF LATE-BREAKING NEWS AND THE OBSERVATION OF MARKET BEHAVIOUR. TRADERS ADD LIQUIDITY TO THE MARKET. NGOS SEEK TO ACHIEVE THE GREATEST ENVIRONMENTAL "GOOD" AT THE LEAST ECONOMIC COST BY PURCHASING AND HOLDING ON TO CREDITS FOR ULTIMATE RETIREMENT WITH LIMITED ECONOMIC RESOURCES. THE PARTICIPANTS ARE LOCATED IN ONE OF THREE FICTITIOUS COUNTRIES. NARNIA AND UTOPIA ARE BOTH ANNEX B (CAPPED) NATIONS. THE BUYERS AND TRADERS ARE EXCLUSIVELY LOCATED IN THESE COUNTRIES. THE SINGLE NON-ANNEX B COUNTRY, GONDWANA, IS HOME TO ROUGHLY TWO-THIRDS OF THE SUPPLIERS, WITH THE REST LOCATED IN THE CAPPED NATIONS. BUYERS ARE ASSIGNED EMISSIONS ALLOWANCES (EAs) AFTER A DEFINED "ANNOUNCEMENT YEAR" FOR USE DURING THE COMMITMENT PERIOD. EAs ARE TRADEABLE. INTERNAL REDUCTIONS (IRs) ARE CREATED BY BUYERS UNDERTAKING EMISSION REDUCTION OR SEQUESTRATION PROJECTS INTERNALLY; THESE REDUCTIONS ARE NOT TRADEABLE. SUPPLIERS CREATE CDM OR JI CREDITS, DEPENDING ON THE JURISDICTIONS IN WHICH THEY ARE LOCATED. CREDITS ARE DISTINGUISHED BY VINTAGE (YEAR) AND WHILE CREDITS MAY BE BANKED FOR FUTURE USE (DEPENDENT ON THE PARTICULAR "RULES" OF EACH CREDIT TYPE), THEY MAY NOT BE BORROWED FOR PRIOR YEAR COMPLIANCE.</p>
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20090707 22263660

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FIG. 9

800

818

802	
820	ORGANISATION
822	POSITION
824	ORIGINATE
826	TRADE
828	NEWS
830	REPORTING
832	TIMELINE
	DEMO
	LOG OUT
834	

SELECT ORGANISATION

US DEMO

PLEASE MAKE A SELECTION OF THE ORGANISATION THAT YOU WISH TO "ROLE-PLAY" DURING THE COURSE OF THIS SIMULATION BY FOLLOWING THESE SIMPLE STEPS:

- 1- SELECT ONE ORGANISATION FROM THE LIST OF USER TYPES (BUYER, SUPPLIER, TRADER, OR NGO), BELOW
- 2- REVIEW THE DETAILS OF THAT ORGANISATION BY SELECTING THE 'VIEW' OPTION
- 3- CONTINUE THIS PROCESS UNTIL YOU ARE COMFORTABLE WITH THE ORGANISATION SELECTED
- 4- CHOOSE THE APPROPRIATE ORGANISATION BY CLICKING 'SELECT' ON THE 'SELECT ORGANISATIONS' PAGE
- 5- SELECT TO EITHER KEEP THE DEFAULT NAME OF THE ORGANISATION, OR CREATE YOUR OWN NAME

NOTE: THE SYSTEM WILL AUTOMATICALLY ENSURE THAT THERE IS A RELATIVE BALANCE BETWEEN THE PARTICIPANT TYPES (BUYER, SUPPLIER, TRADER, AND NGO). IF YOU RECEIVE AN ERROR MESSAGE ON SELECTION OF A PARTICULAR PARTICIPANT TYPE, PLEASE SELECT FROM ONE OF THE REMAINING THREE.

FOR A MORE DETAILED DEFINITION OF THE PARTICIPANT TYPES, SEE THE SIMULATION DEMO>>

804	
806	BUYER ORGANISATIONS
	COMPLIANCE TESTER - 3
808	SUPPLIER ORGANISATIONS
	SELECT A SUPPLIER ORGANISATION
810	TRADER ORGANISATIONS
	SELECT A TRADER ORGANISATION
	NON-GOVERNMENT ORGANISATIONS
	SELECT AN NGO ORGANISATION

812

NEW ORGANISATION NAME

814

VIEW

816

SELECT

LAURA'S CEMENT CO.

836

ABOUT THE SIMULATION

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FIG. 10

900

ORGANISATION REVIEW	
ORGANISATION	US DEMO
POSITION	
ORIGINATE	
TRADE	
NEWS	
REPORTING	
TIMELINE	
DEMO	
LOG OUT	
<p>THE DETAILS OF YOUR SELECTED ORGANISATION ARE OUTLINED BELOW.</p> <p>NOTE: REFER TO YOUR CURRENT STATUS AFTER EACH ROUND TO ENSURE THAT YOU REMAIN SOLVENT. INSOLVENT, OR BANKRUPT PARTICIPANTS WILL NOT BE PERMITTED TO CONTINUE WITH THE SIMULATION.</p>	
ORGANISATION INFORMATION	
ORGANISATION NAME	LAURA'S CEMENT CO.
TYPE	BUYER
CURRENT STATUS	SOLVENT
COUNTRY	UTOPIA
ANNUAL CASH ALLOWANCE	US\$ 1,000,000/YEAR
BORROWING LIMIT	US\$ 10,000,000
CREDIT TYPE(S) CREATED	IR-INTERNAL REDUCTIONS
DESCRIPTION	INDUSTRIAL NRG, INC. OWNS AND OPERATES A SINGLE-CYCLE GAS POWER GENERATION FACILITY IN SOUTH CENTRAL NARNIA.
ABOUT THE SIMULATION	
<p>SEE POSITION DATA 904</p>	
BACK TO TOP	

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FIG. 12

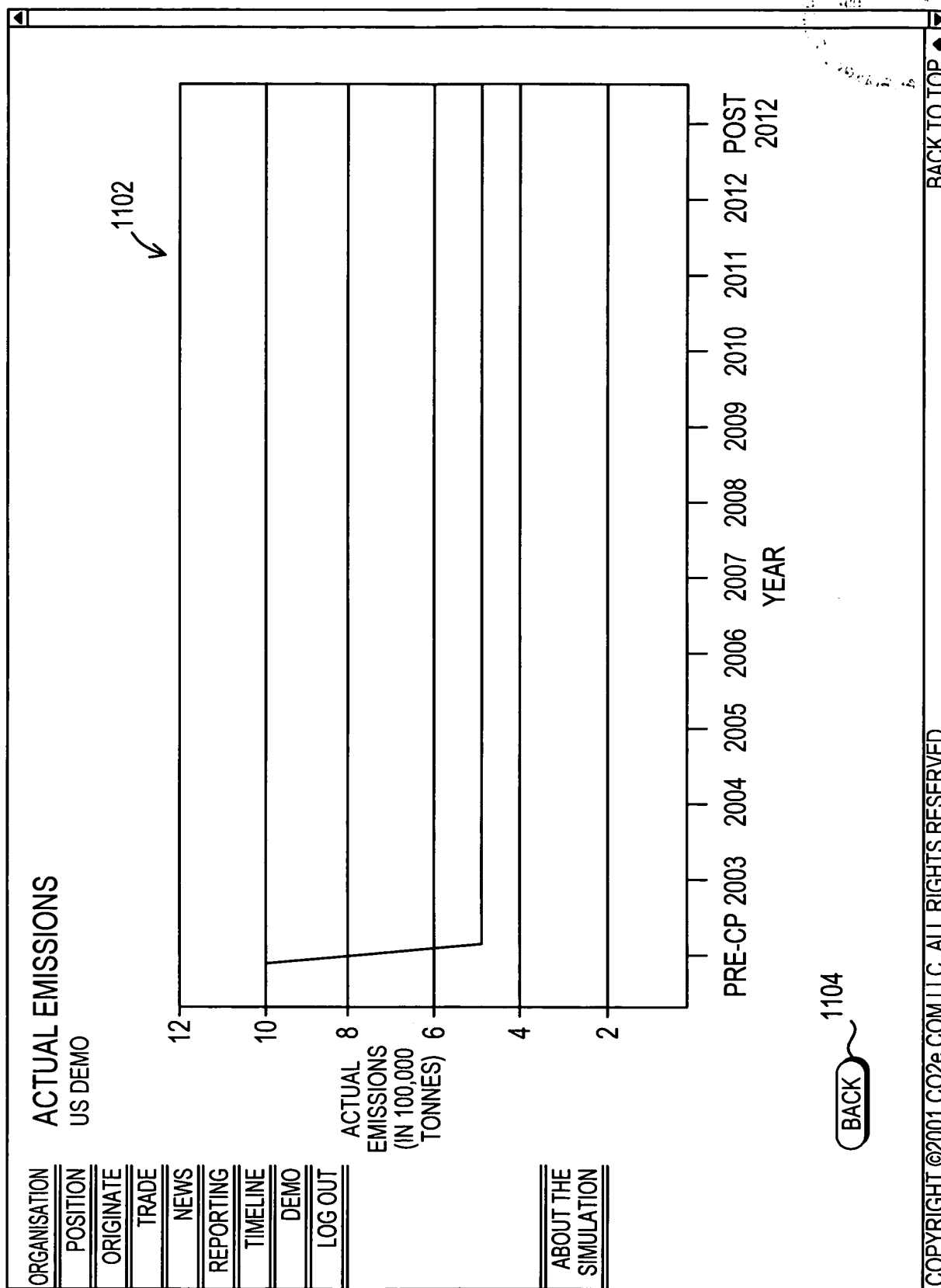


FIG. 13

822

ORGANISATION

POSITION

ORIGINATE

TRADE

NEWS

REPORTING

TIMELINE

DEMO

LOG OUT

1200

ORIGINATE

US DEMO

THE ORIGINATION UTILITY IS PROVIDED TO ALLOW PARTICIPANTS TO GENERATE CREDITS (FOR SUPPLIERS) OR INTERNAL REDUCTIONS (IRs) (FOR BUYERS).

TO ORIGINATE CREDITS OR IRs, PLEASE TAKE THE FOLLOWING SIMPLE STEPS:

1

INPUT THE TOTAL AMOUNT OF TONNES THAT YOU WOULD LIKE TO PRODUCE OVER THE 10-YEAR LIFESPAN OF YOUR PROJECT IN THE 'TOTAL VOLUME' FIELD BELOW

2

CLICK 'CALCULATE' TO DETERMINE THE TOTAL COST FOR THIS ORIGINATION (TOTAL COST IS A FUNCTION OF YOUR ORGANISATION'S MARGINAL ABATEMENT/SUPPLY COST CURVE)

3

CLICK 'ACCEPT' (ONLY ONCE) IF YOU WISH TO ORIGINATE THE CREDITS OR IRs, OR 'CANCEL' TO RESET THE ORIGINATION UTILITY

REMEMBER: THE TOTAL VOLUME OF CREDITS OR IRs WILL BE SPREAD OVER THE LIFESPAN OF YOUR PROJECT (10 YEARS). SO 1/10TH OF THE TOTAL VOLUME AMOUNT WILL BE ASSIGNED TO EACH YEAR. IF THE ORIGINATION REACHES PAST THE END OF THE COMMITMENT PERIOD, THE CREDITS OR IRs WILL BE ASSIGNED AS 'POST 2012' TONNES AND WILL BE VALUED AS AN ASSET AT THE END OF THE SIMULATION.

ORGANISATION

COMPLIANCE TESTER - 3

ISSUE CLASS

IR

PROJECT TYPE

INTERNAL REDUCTIONS (INT)

1206

TOTAL VOLUME

100000 TONNES OVER 10 YEARS

TOTAL COST

US\$ 100,000.00

1208

CALCULATE

1210

ACCEPT

1212

CANCEL

1214

MARGINAL ABATEMENT/SUPPLY COST

VOLUME FROM	0	100,000	200,000	300,000	400,000	500,000	600,000	700,000	800,000	900,000	1,000,000	1,100,000	1,200,000	1,300,000
VOLUME TO	100,000	200,000	300,000	400,000	500,000	600,000	700,000	800,000	900,000	1,000,000	1,100,000	1,200,000	1,300,000	1,400,000
US\$ PER TONNE	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00

1216

GRAPH

1220

1218

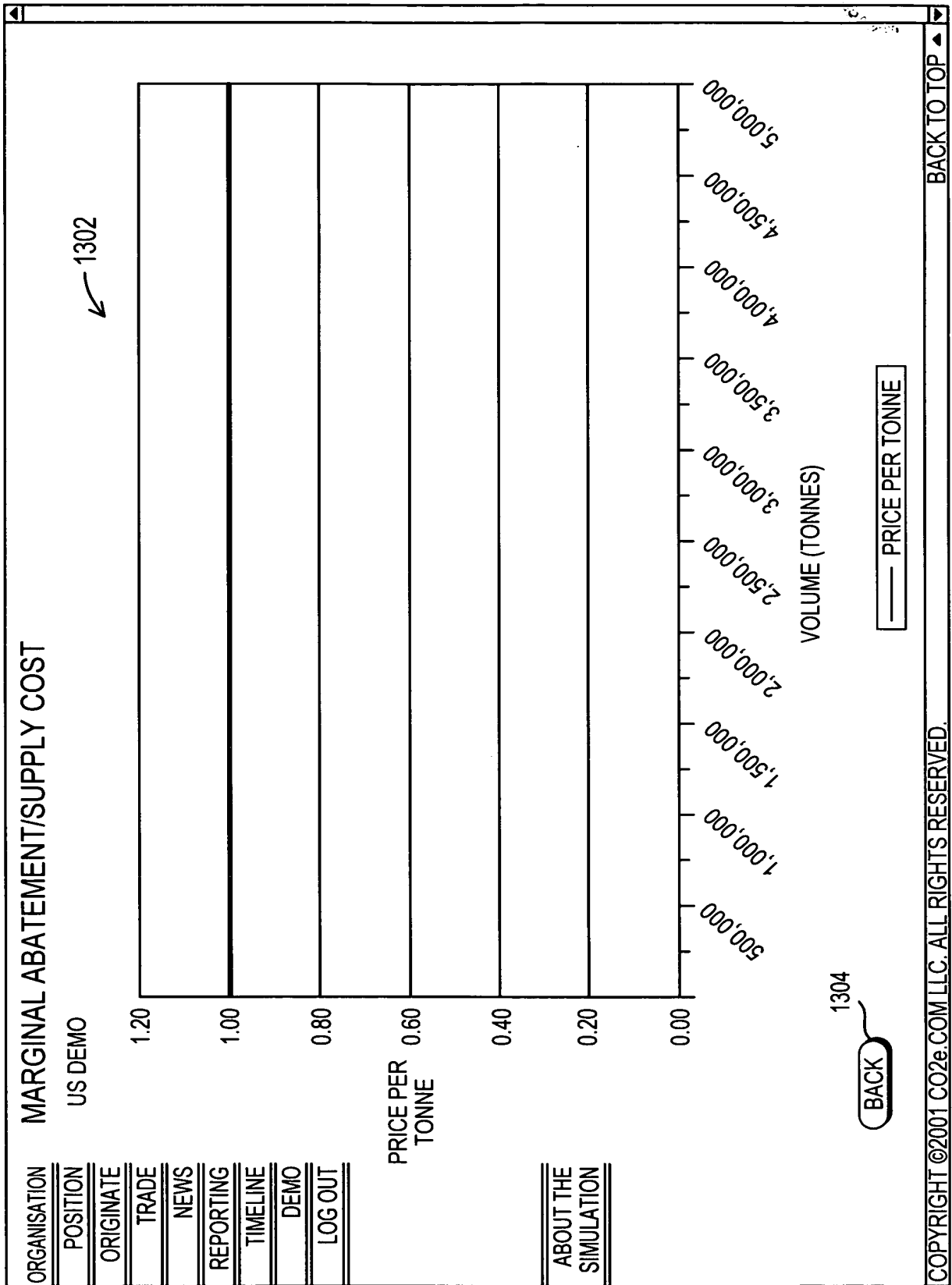
TOTAL ORIGINATED

0

FOR A MORE DETAILED DEFINITION OF THE ORIGINATION PROCESS, SEE THE ORIGINATION DESCRIPTION>>

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FIG. 14



15/37

1400

1412

1402

TRADING ROUND 2001-2002												
FILE OPTIONS HELP												
		2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
1404	1406	BID	\$4.00 100,000t	1410								
	1408	OFFER	\$6.00 30,000t	\$6.25 50,000t	\$6.35 18,000t	\$6.50 20,000t	\$6.75 16,000t	\$6.90 15,000t				
1404	1406	BID										
	1408	OFFER										
1460	1406	BID										
	1408	OFFER										
JI_LANDUSE_UTP_2005												
BID TO BUY		TONNES @ \$		GOI	CANCEL	BUY		TONNES @ \$		GOI	CANCEL	
OFFER TO SELL		TONNES @ \$		GOI	CANCEL	SELL		TONNES @ \$		GOI	CANCEL	
JI_LANDUSE_UTP_2005 1414 1416 1418 1420 1430 1432 VIEW INVENTORY CANCEL MARKET												
ACTIVE ORDERS TRADE HISTORY MARKET HISTORY STATUS PURCHASING POWER (CASH+BORROWING LIMIT): \$10,500,000.00												
INST NAME		PRICE	SIZE	TYPE	STATUS	TRADE REF #	TIME	COMMENTS				
CDM_TECH_GDW_PRECP		4.00	100000	BID(LIMIT)	ACCEPTED		11:10:49 06/14 L					
CDM_TECH_GDW_PRECP MARKET ACCEPTED BID (LIMIT) 100000 AT 4.00 (4.00)												

FIG. 15

1500

ORGANISATION	POSITION REVIEW
POSITION	US DEMO
ORIGINATE	1502
TRADE	
NEWS	
REPORTING	
TIMELINE	
DEMO	
LOG OUT	
	<p>LATE BREAKING NEWS... PLEASE CHECK THE NEWS PAGE FOR FURTHER DETAILS. HISTORIC AND REAL-TIME POSITIONS FOR YOUR ORGANIZATION ARE PLOTTED BELOW. CHART YOUR POSITION BY SELECTING THE GRAPH OPTION (BUYERS AND SUPPLIERS ONLY). RETURN TO THIS PAGE FREQUENTLY DURING THE SIMULATION TO KEEP TRACK OF YOUR CHANGING POSITION DATA. REFRESH THIS PAGE PERIODICALLY TO UPDATE YOUR POSITION INFORMATION.</p> <p>FOR A DETAILED DEFINITION OF THE POSITIONS DATA BELOW, SEE THE <u>DATA DESCRIPTIONS</u>>>.</p> <p>SEE ORGANIZATION DATA</p> <p>CURRENT CASH POSITION US \$ 3,000,000</p> <p>EMISSIONS AND REDUCTIONS PRE-CP AGGREGATION 2003 2004 2005 2006 2007 2008 2009 2010 2011 2012 POST 2012</p> <p>BUSINESS-AS-USUAL EMISSIONS (BAU) 1,000,000 500,000 500,000 500,000 500,000 500,000 500,000 500,000 500,000 500,000</p> <p>INTERNAL REDUCTIONS PRODUCED (IRS) - - - - - - - - - -</p> <p>ACTUAL EMISSIONS (BAU-IRS) 1,000,000 500,000 500,000 500,000 500,000 500,000 500,000 500,000 500,000 500,000</p> <p>GRAPH</p> <p>CREDITS PRE-CP AGGREGATION 2003 2004 2005 2006 2007 2008 2009 2010 2011 2012 POST 2012</p> <p>EA 300,000 300,000 300,000 300,000 300,000 300,000 300,000 300,000 300,000 300,000</p> <p>TOTAL 0 300,000 300,000 300,000 300,000 300,000 300,000 300,000 300,000 300,000</p> <p>COMPLIANCE CALCULATOR PRE-CP AGGREGATION 2003 2004 2005 2006 2007 2008 2009 2010 2011 2012 CP TOTALS</p> <p>ACTUAL EMISSIONS (BAU-IRS) 1,000,000 500,000 500,000 500,000 500,000 500,000 500,000 500,000 500,000 500,000* 5,000,000*</p> <p>CREDIT HELD AFTER BANKING - 300,000 300,000 300,000 300,000 300,000 300,000 300,000 300,000 300,000 3,000,000</p> <p>COMPLIANCE REQUIREMENT - 200,000 200,000 200,000 200,000 200,000 200,000 200,000 200,000 200,000 2,000,000*</p>
ABOUT THE SIMULATION	

FIG. 16

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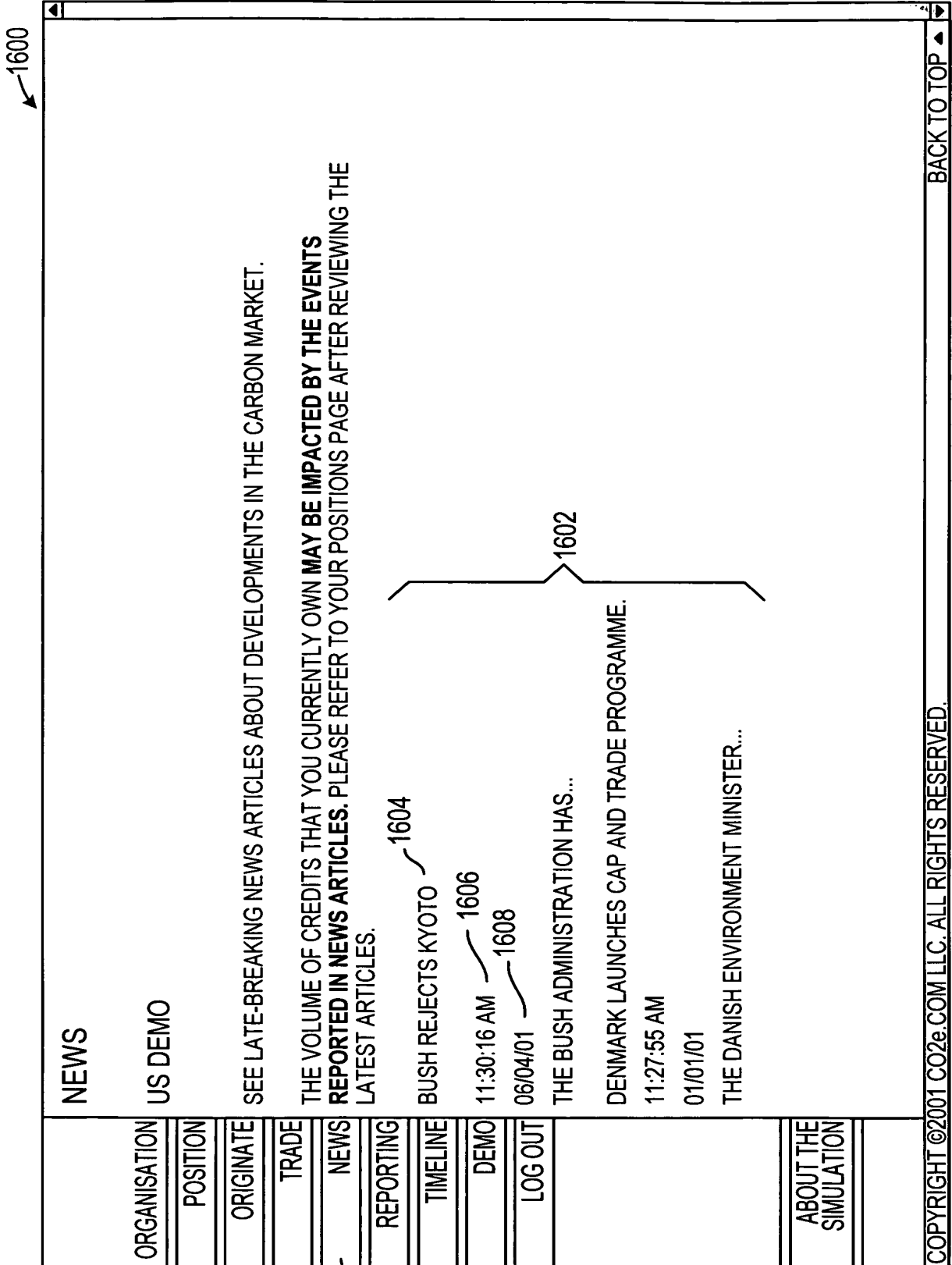


FIG. 17

248

1800

ORGANISATION
POSITION
ORIGINATE
TRADE
NEWS
REPORTING
TIMELINE
DEMO
LOG OUT

SIMULATION REPORT

CONGRATULATIONS
YOU HAVE SUCCESSFULLY COMPLETED CO2e.COM'S TRADING SIMULATION

ADDITIONAL OPPORTUNITIES
CO2e.COM OFFERS A FULL RANGE OF TRADING TOOLS FOR YOUR INVESTIGATION.

▶ TRADING SIMULATIONS
ASK US MORE ABOUT CO2e.COM'S TRADING SIMULATIONS HERE.
▶ CORPORATE TRADING SESSIONS
CO2e.COM CAN CUSTOM-DELIVER CORPORATE TRADING SESSIONS FOR YOUR ENTERPRISE. ASK US ABOUT YOUR OPTIONS HERE.
▶ INTERNAL MARKETS
INTERNAL MARKETS PROVIDES THE TECHNOLOGY BEHIND YOUR INTERNAL CARBON TRADING PROGRAMS. ASK US ABOUT WHY CO2e.COM'S INTERNAL MARKETS IS RIGHT FOR YOUR BUSINESS HERE.

CATEGORY REPORT
YOU DID NOT WIN ANY CATERGORIES

ABOUT THE SIMULATION

828

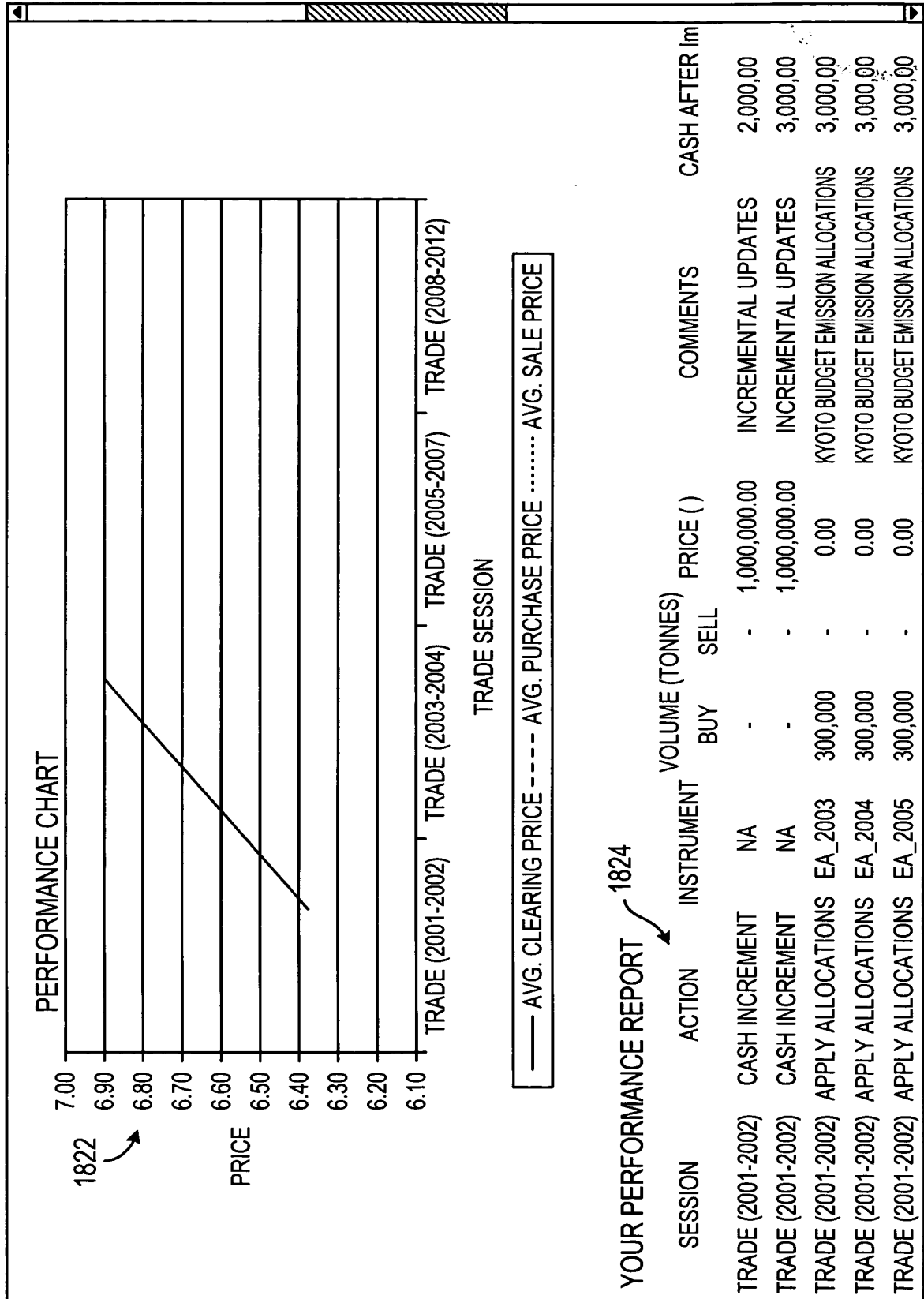
1804

1806

FIG. 19

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FIG. 20



1900 →

ABOUT THE SIMULATION

THE TRADING SIMULATION IS ONE OF A SERIES OF INTERACTIVE TRADING TOOLS THAT HAS BEEN BROUGHT TO MARKET BY CO2e.COM. THE CO2e.COM TRADING SIMULATION IS A PLATFORM TO LEARN ABOUT THE OPERATION OF A MORE COMMODITISED CARBON MARKET, AND THE POTENTIAL IMPLICATIONS OF MAJOR POLICY DECISIONS ON THIS EMERGING MARKETPLACE. IT REPRESENTS A SIMPLIFIED MODEL OF HOW INTERNATIONAL OR DOMESTIC CARBON TRADING MIGHT DEVELOP. THE SIMULATION COMBINES MANY OF THE KEY ELEMENTS OF EMERGING POLICY WITH SOPHISTICATED TRADING TECHNOLOGY FROM ONE OF WALL STREET'S FASTEST GROWING B2B ELECTRONIC SOLUTIONS PROVIDER, eSPEED, INC., TO CREATE A HIGHLY USABLE, ENJOYABLE AND INSTRUCTIVE SIMULATION.

BROAD ASSUMPTIONS

SEVERAL KEY ASSUMPTIONS HAVE BEEN MADE IN THE DESIGN OF CO2e.COM'S TRADING SIMULATION. THESE ASSUMPTIONS ARE AS FOLLOWS:

- THE SIMULATED TRADING REGIME IS ONE THAT COULD BE ESTABLISHED BY AN INTERNATIONAL INTERPRETATION OF THE KYOTO PROTOCOL, WITH OR WITHOUT AN ADVANCED DOMESTIC TRADING ENVIRONMENT
- ALL CREDIT TYPES ARE FULLY DEFINED AND TRANSFERABLE ACROSS INTERNATIONAL BOUNDARIES
- PARTICIPANTS IN NON-ANNEX B COUNTRIES CAN SELL AND BUY CREDITS

IT IS IMPORTANT TO RECOGNIZE THESE ASSUMPTIONS BEFORE ENGAGING THE SIMULATION.

SIMULATION ELEMENTS

FOUR DIFFERENT TYPES OF ENTITIES PARTICIPATE IN THE SIMULATION, EACH WITH DIFFERENT CHARACTERISTICS AND GOALS:

BUYERS FACE CAPS ON THEIR CARBON DIOXIDE EQUIVALENT (CO₂e) EMISSIONS AND MUST UNDERTAKE INTERNAL ACTIONS AND MAY ENGAGE IN TRADING TO COMPLY WITH EMISSIONS TARGETS AT THE LEAST COST AND AVOID COMPLIANCE PENALTIES.

SUPPLIERS ARE CAPABLE OF PRODUCING JOINT IMPLEMENTATION (JI) OR CLEAN DEVELOPMENT MECHANISM (CDM) CREDITS AND ATTEMPT TO MAXIMIZE PROFIT FROM THE SALE OF THESE CREDITS.

TRADERS TAKE SPECULATIVE POSITIONS IN THE MARKET FOR PROFIT THROUGH THE CAREFUL ANALYSIS OF LATE-BREAKING NEWS AND THE OBSERVATION OF MARKET BEHAVIOUR. TRADERS ADD LIQUIDITY TO THE MARKET.

NGOS SEEK TO ACHIEVE THE GREATEST ENVIRONMENTAL "GOOD" AT THE LEAST ECONOMIC COST BY PURCHASING AND HOLDING ON TO CREDITS FOR ULTIMATE RETIREMENT WITH LIMITED ECONOMIC RESOURCES.

THE PARTICIPANTS ARE LOCATED IN ONE OF THREE FICTITIOUS COUNTRIES. NARNIA AND UTOPIA ARE BOTH ANNEX B (CAPPED) NATIONS. THE BUYERS AND TRADERS ARE EXCLUSIVELY LOCATED IN THESE COUNTRIES. THE SINGLE NON-ANNEX B COUNTRY, GONDWANA, IS HOME TO ROUGHLY TWO-THIRDS OF THE SUPPLIERS, WITH THE REST LOCATED IN THE CAPPED NATIONS.

2100

CUSTOMISE SIMULATION NEWS

2104

US DEMO

NO UNRELEASED NEWS ARTICLES TO DISPLAY

2106

BASE NEWS ARTICLES

PLEASE SELECT A NEWS ARTICLE TO ADD

2108

ADD

UTOPIA STARLET EMISSIONSHANDELSSYSTEM
UTOPIA RUECK ERHOEHT PRAEMIE FUER HOCHWASSERSCHAEDEN
REGIERUNG VON UTOPIA GIBT CAPS FUR UNTERNEHMEN BEKANNT
IPCC VEROEFFENTLICHT 4. KLIMABERICHT
EU KUENDIGT EMISSIONSHANDELSSYSTEM AN

2024

ORGANISATION

POSITION

ORIGINATE

TRADE

NEWS

REPORTING

TIMELINE

MAINTAIN

REAL TIMES

CUSTOMISE

NEWS LINKS

DISPLAY

CATEGORY

WINNERS

SIMULATION

MAINTENANCE

ORGANIZATION

MAINTENANCE

COUNTRY

MAINTENANCE

START/STOP

SIMULATION

LOG OUT

ABOUT THE
SIMULATION

BACK TO TOP

FIG. 23

CO2e.COM

FIG. 24

ORGANISATION	MAINTAIN CUSTOM NEWS		
POSITION	US DEMO		
ORIGINATE	HEADLINE		
TRADE	ARTICLE TEXT		
NEWS	COMMENTS		
REPORTING	RELEASE ROUND		
TIMELINE	ISSUE CLASS-COUNTRY		
MAINTAIN	PROJECT TYPE		
REAL TIMES	VINTAGE		
CUSTOMISE	VOLUME EFFECT		
NEWS LINKS	ABOUT THE SIMULATION		
DISPLAY	SIMULATION		
CATEGORY	MAINTENANCE		
WINNERS	ORGANISATION		
	MAINTENANCE		
	COUNTRY		
	MAINTENANCE		
	START/STOP		
	SIMULATION		
	LOG OUT		

BUSH REJECTS KYOTO	2202
<P> 06/14/2001 <P> THE BUSH ADMINISTRATION HAS...	2204
17-ADDITIONAL NEWS ITEM	2206

2003-2004	2208
ALL	2210
CDM-GONDWANA	
JI-NARNIA	
JI-UTOPIA	
EA-ALL	

ALL	2212
FORESTRY	
LAND USE CHANGE	
METHANE CAPTURE	
TECHNOLOGY/PROCESS CHANGE	

ALL	2214
YEAR 0	
YEAR 2003	
YEAR 2004	
YEAR 2005	

-25	%	2216
SAVE	2220	DELETE
		2218

FIG. 25

ORGANISATION	CUSTOMISE SIMULATION NEWS	
POSITION		
ORIGINATE		
TRADE		
NEWS		
REPORTING		
TIMELINE		
MAINTAIN		
REAL TIMES		
CUSTOMISE		
NEWS LINKS		
DISPLAY		
CATEGORY		
WINNERS		
SIMULATION		
MAINTENANCE		
ORGANISATION		
MAINTENANCE		
COUNTRY		
MAINTENANCE		
START/STOP		
SIMULATION		
LOG OUT		
ABOUT THE SIMULATION		
US DEMO		
UNRELEASED NEWS ARTICLES		
HEADLINE	2302	RELEASE ROUND
BUSH REJECTS KYOTO		2003-2004 — 2304
BASE NEWS ARTICLES		
PLEASE SELECT A NEWS ARTICLE TO ADD		
<div>UTOPIA STARLET EMISSINSHANDELSSYSTEM UTOPIA RUECK ERHOEHT PRAEMIE FUER HOCHWASSERSCHAE DEN REGIERUNG VON UTOPIA GIBT CAPS FUR UNTERMEHMEN BEKANNT IPCC VEROEFFENTLICHT 4. KLIMABERICHT EU KUENDIGT EMISSIONSHANDELSSYSTEM AN</div>		
<div>2306</div> <div>EDIT</div> <div>ADD</div>		
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BACK TO TOP		

FIG. 26

2400

MAINTAIN SIMULATION PARAMETERS - SELECT

ACTIVE SIMULATIONS

US DEMO 2404

2406 EDIT

NO COMPLETE SIMULATIONS

2408 ADD

ADD SIMULATION

2028

ORGANISATION

POSITION

ORIGINATE

TRADE

NEWS

REPORTING

TIMELINE

MAINTAIN

REAL TIMES

CUSTOMISE

NEWS LINKS

DISPLAY

CATEGORY

WINNERS

SIMULATION

MAINTENANCE

ORGANISATION

MAINTENANCE

COUNTRY

MAINTENANCE

START/STOP

SIMULATION

LOG OUT

ABOUT THE

SIMULATION

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FIG. 27

2500

MAINTAIN SIMULATION PARAMETERS - UPDATE	
NAME	US DEMO 2502
ANNOUNCEMENT YEAR	2002 2504 %
COST CURVE %	0 2506 %
BUSINESS AS USUAL %	0 2508 %
INTEREST	7 2510 %
<div>SAVE 2512</div> <div>BACK 2514</div>	
ORGANISATION POSITION ORIGINATE TRADE NEWS REPORTING TIMELINE MAINTAIN REAL TIMES CUSTOMISE NEWS LINKS DISPLAY CATEGORY WINNERS SIMULATION MAINTENANCE ORGANISATION MAINTENANCE COUNTRY MAINTENANCE START/STOP SIMULATION LOG OUT ABOUT THE SIMULATION	

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FIG. 28

← 2600

ORGANISATION
POSITION
ORIGINATE
TRADE
NEWS
REPORTING
TIMELINE
MAINTAIN
REAL TIMES
CUSTOMISE
NEWS LINKS
DISPLAY
CATEGORY
WINNERS
SIMULATION
MAINTENANCE
ORGANISATION
MAINTENANCE
COUNTRY
MAINTENANCE
START/STOP
SIMULATION
LOG OUT
ABOUT THE
SIMULATION

MAINTAIN ORGANISATION - SELECT

NEW ORGANISATION
TYPE
END-USER
2604
2606
ADD
2600

EXISTING ORGANISATION
LAURA'S CEMENT CO.
2608
EDIT
2610
DELETE
2612

2030

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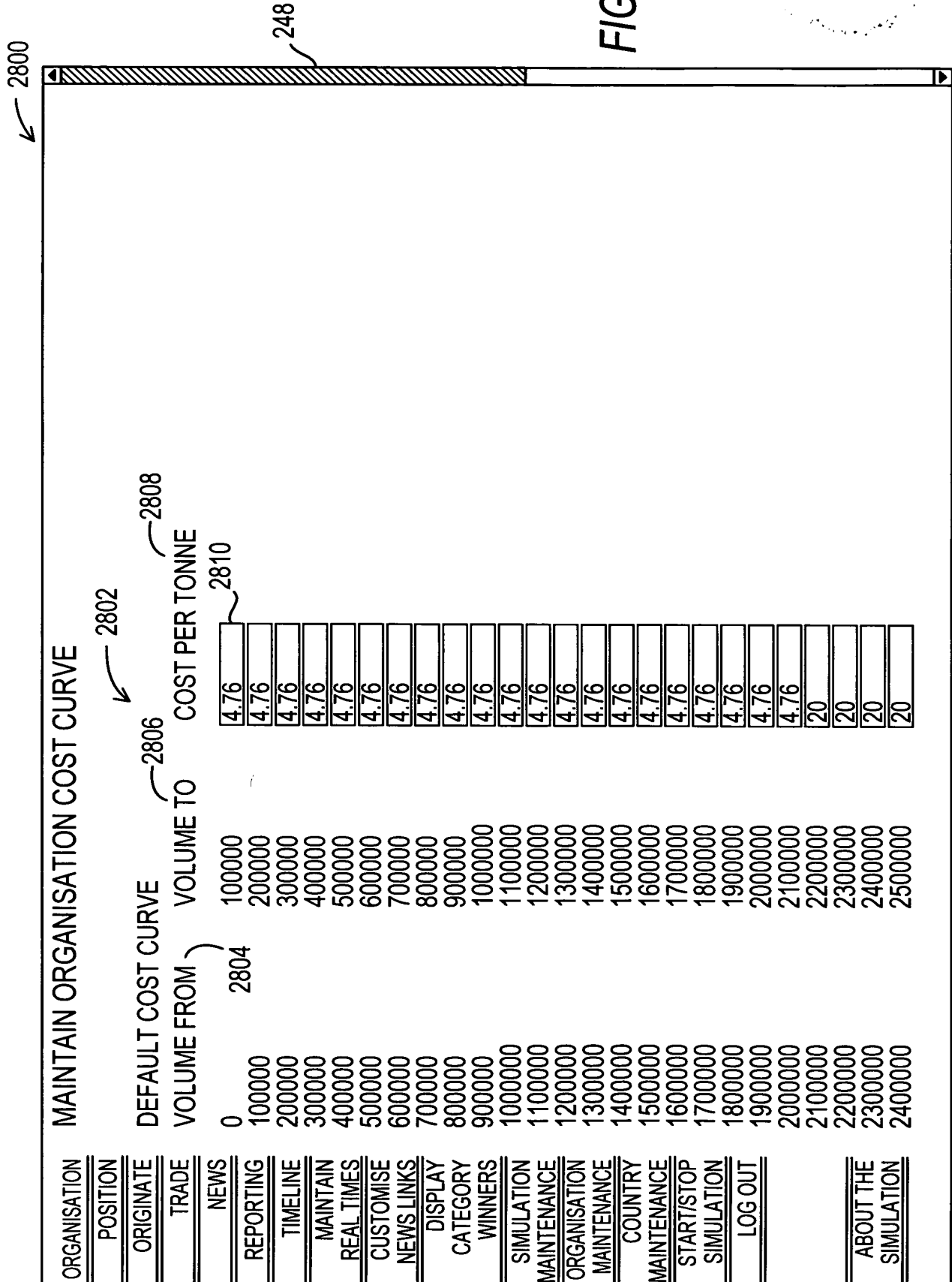
FIG. 29

2700

ORGANISATION DETAILS - BUYER/SUPPLIER	
NAME	JOHN'S CATTLE COMPANY 2702
DESCRIPTION	JOHN'S CATTLE COMPANY IS A COMPANY THAT 2704
STARTING CASH	59000000 2708
YEARLY CASH ALLOC	59000000 2712
INDUSTRY TYPE	POWER GENERATOR - COAL-BROWN 2714
COUNTRY	UTOPIA 2716
INSTRUMENT CREATION	IR 2718
ISSUE CLASS	INTERNAL REDUCTIONS 2720
SAVE 2722	COST CURVE 2724
	YEARLY VALUES 2726
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FIG. 30



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FIG. 31

← 2820

2500000	2600000	50
2600000	2700000	50
2700000	2800000	65
2800000	2900000	65
2900000	3000000	65
3000000	3100000	65
3100000	3200000	65
3200000	3300000	65
3300000	3400000	65
3400000	3500000	65
3500000	3600000	65
3600000	3700000	65
3700000	3800000	65
3800000	3900000	65
3900000	4000000	65
4000000	4100000	65
4100000	4200000	65
4200000	4300000	65
4300000	4400000	65
4400000	4500000	65
4500000	4600000	65
4600000	4700000	65
4700000	4800000	65
4800000	4900000	65
4900000	5000000	65

APPLY LAST COST TO REST

2822 ☐ YES ☒ NO 2824

2826

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FIG. 32

248

2900

MAINTAIN ORGANISATION YEARLY VALUES															
DEFAULT YEARLY VALUES		2904		BAU		KYOTO ALLOCATION		2908		2902		2912		2916	
YEAR	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
ORGANISATION	809000	809000	809000	809000	809000	809000	809000	817000	825500	833500	842000	850500			
POSITION	809000	809000	809000	809000	809000	809000	809000	817000	825500	833500	842000	850500			
ORIGINATE	809000	809000	809000	809000	809000	809000	809000	817000	825500	833500	842000	850500			
TRADE	809000	809000	809000	809000	809000	809000	809000	817000	825500	833500	842000	850500			
NEWS	809000	809000	809000	809000	809000	809000	809000	817000	825500	833500	842000	850500			
REPORTING	809000	809000	809000	809000	809000	809000	809000	817000	825500	833500	842000	850500			
TIMELINE	809000	809000	809000	809000	809000	809000	809000	817000	825500	833500	842000	850500			
MAINTAIN	809000	809000	809000	809000	809000	809000	809000	817000	825500	833500	842000	850500			
REAL TIMES	809000	809000	809000	809000	809000	809000	809000	817000	825500	833500	842000	850500			
CUSTOMISE	809000	809000	809000	809000	809000	809000	809000	817000	825500	833500	842000	850500			
NEWS LINKS	809000	809000	809000	809000	809000	809000	809000	817000	825500	833500	842000	850500			
DISPLAY	809000	809000	809000	809000	809000	809000	809000	817000	825500	833500	842000	850500			
CATEGORY	809000	809000	809000	809000	809000	809000	809000	817000	825500	833500	842000	850500			
WINNERS	809000	809000	809000	809000	809000	809000	809000	817000	825500	833500	842000	850500			
SIMULATION	809000	809000	809000	809000	809000	809000	809000	817000	825500	833500	842000	850500			
MAINTENANCE	809000	809000	809000	809000	809000	809000	809000	817000	825500	833500	842000	850500			
ORGANISATION	809000	809000	809000	809000	809000	809000	809000	817000	825500	833500	842000	850500			
MAINTENANCE	809000	809000	809000	809000	809000	809000	809000	817000	825500	833500	842000	850500			
COUNTRY	809000	809000	809000	809000	809000	809000	809000	817000	825500	833500	842000	850500			
MAINTENANCE	809000	809000	809000	809000	809000	809000	809000	817000	825500	833500	842000	850500			
START/STOP	809000	809000	809000	809000	809000	809000	809000	817000	825500	833500	842000	850500			
SIMULATION	809000	809000	809000	809000	809000	809000	809000	817000	825500	833500	842000	850500			
LOG OUT	809000	809000	809000	809000	809000	809000	809000	817000	825500	833500	842000	850500			
ABOUT THE	809000	809000	809000	809000	809000	809000	809000	817000	825500	833500	842000	850500			
SIMULATION	809000	809000	809000	809000	809000	809000	809000	817000	825500	833500	842000	850500			

2930 ↙

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APPLY LAST VALUE TO REST

2932 YES 2934 NO 2936 SAVE

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FIG. 34

← 3000

MAINTAIN COUNTRY	
ADD COUNTRY	
NAME	3004 ZENITH
SUPPLEMENTARITY %	3006 ZEN 3010 5 %
CAPPED COUNTRY	3008 6 % 3014 ADD
	3022 YES 3024 NO
EDIT/DELETE COUNTRY	
	3012 3018 EDIT 3020 DELETE
	3016 GONDWANA 2032
ORGANISATION	
POSITION	
ORIGINATE	
TRADE	
NEWS	
REPORTING	
TIMELINE	
MAINTAIN	
REAL TIMES	
CUSTOMISE	
NEWS LINKS	
DISPLAY	
CATEGORY	
WINNERS	
SIMULATION	
MAINTENANCE	
ORGANISATION	
MAINTENANCE	
COUNTRY	
MAINTENANCE	
START/STOP	
SIMULATION	
LOG OUT	
ABOUT THE SIMULATION	
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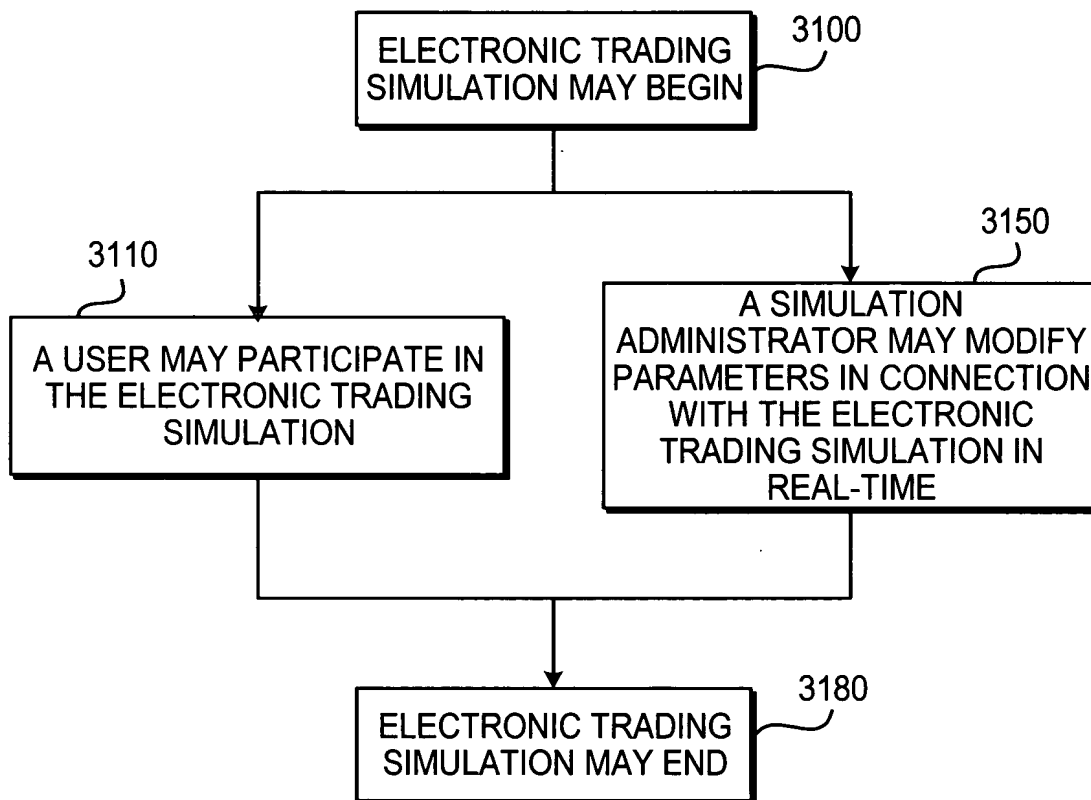


FIG. 35

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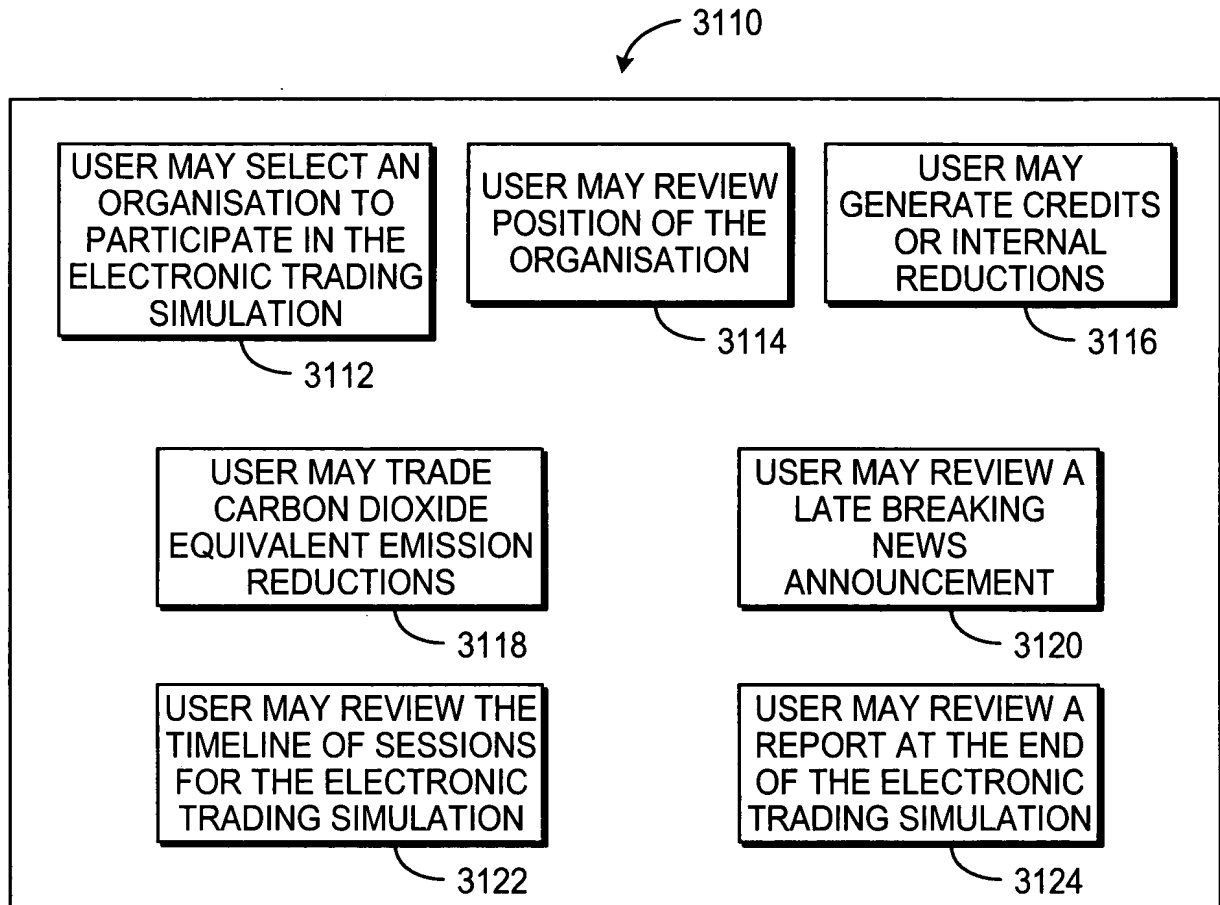


FIG. 36

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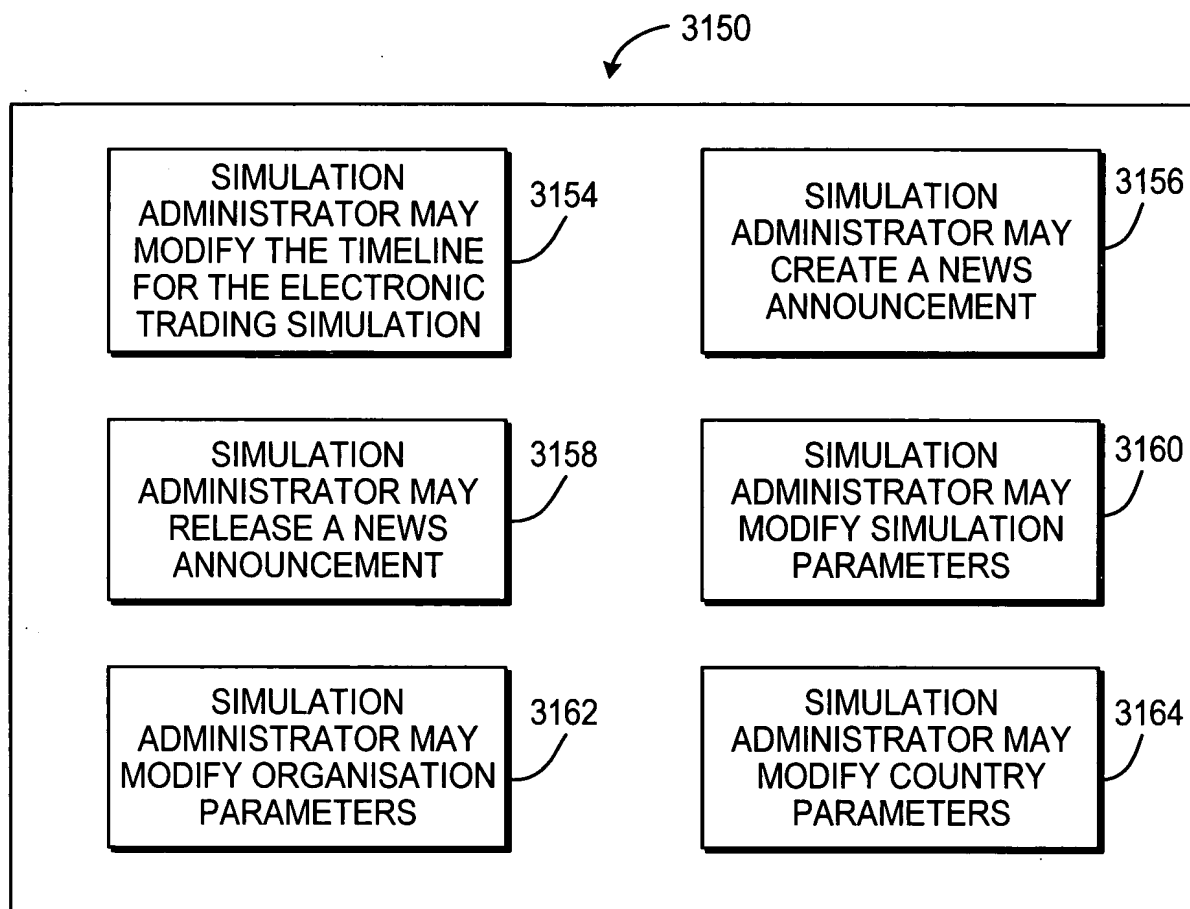


FIG. 37